BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 80-251-E - ORDER NO. 89-373

APRIL 5, 1989

IN RE: Small Power Production and Cogeneration ) ORDER APPROVING ) RATE SCHEDULE

On March 20, 1989, South Carolina Electric and Gas Company (SCE&G) filed a Revised Rate PR-1 for Small Power Production and Cogeneration in response to Order No. 89-234, dated March 9, 1989. In this Order the Commission required that SCE&G's capacity credit should be set at a two year levelized annual cost of a new combustion turbine adjusted for general plant, fixed O & M costs for an IC turbine, marginal losses, and using an availability factor of 89.3%. The proposed capacity credit is \$.01387 per KWH on peak. No capacity credit is offered during off peak hours. The Commission finds that the Revised Rate Schedule PR-1 is in compliance with the Commission Order and should be approved.

IT IS THEREFORE ORDERED.

BY ORDER OF THE COMMISSION:

ATTEST:

Executive Director

(SEAL)